GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1352
ANSWERED ON:02.03.2001
PAYMENT MADE BY LIC ON FAKE DEATH CERTIFICATES
PRABHUNATH SINGH

Will the Minister of FINANCE be pleased to state:

(a) whether payments have been made on fake death certificates by the Life Insurance Corporation to the tune of lacs of rupees;

(b) if so, the number of such cases that have come to the notice of the Government in each of the last three years; and

(c) the action against the LIC officials responsible for the same?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a)&(b): Life Insurance Corporation of India(LIC) has stated that a few cases have come to their notice wherein payments have been made on the basis of fake death certificates. Details for the last three years are as follows:

Year	No. of vigilance Cases registered	No. of policies involved
1998-99	1	1
1999-2000	2	4
2000-2001	2	13

(c): As regards the case relating to year 1998-99, the services of agents responsible have been terminated and the medical examiner has been removed from the panel of LIC.As regards two cases relating to year 1999-2000, the services of the agent responsible have been terminated and disciplinary proceedings against a development officer and other responsible officials are being contemplated by the LIC.In so far as two cases relating to year 2000-2001, LIC has referred the matter to CBI for detailed investigation in one case and in the second case, LIC is taking action against the responsible officials.